

W. F. REESE
REFeree IN BANKRUPTCY
SELMA, ALA.



STATE OF ALABAMA
~~April 8, 1935~~
EXECUTIVE DEPARTMENT
MONTGOMERY

Mr. H. F. Reese,
Selma, Alabama

Dear Mr. Reese:


The Governor asks that I acknowledge receipt of
and to thank you for your letter regarding
Alabama Code - 8277; Insurance on life of husband
or father.

He appreciates your interest and is referring
same to the Recess Committee for consideration.

Yours very truly,

Pitt Tyson Maner,
Secretary to the Governor

Copy to
Speaker Walker with
letter attached

2141

3 April 1935.
Re:Alabama Code § 8277;Insurance
on life of husband or father.

Hon.Bibb Graves,
The Governor.

Dear sir:

The above Code section provides that the husband or father, may insure his life for the benefit of his wife, wife and children, or children; and same is exempt from liability for his debts, etc, etc, etc; if the annual premium thereon is not in excess of \$1000.

While our supreme Court, so far as I recall, has not decided, in any case, as to what effect, in event of bankruptcy, the power of the assured to change the beneficiary, would have; the Federal courts in bankrupt cases practically uniformly hold; that notwithstanding such provision, they hold that, in the absence of some such provision, as The reservation by the insured of the right to change the beneficiary, shall not impair this exemption, that the cash surrender value passes, in case of bankruptcy, to the trustee. It is so held by the U.S. District Court of Southern District of N.Y. in Re. Weisman, Bankrupt. Dec. 17, 1934.

Code Section 8277, contains no such explicit provision, as that above underscored; and unless it is so amended; and the point made in some bankruptcy proceeding, the purpose of the section may be defeated.

Of course I have no personal interest in having the section amended; but knowing your sympathy, for all of our people, especially the widows and orphans, is the occasion of my bringing the matter to your attention; in order that you may pass it on to the appropriate recess or other committee.

With kindest regards, I am, as ever,

Yours sincerely,
R/s


H.F. Reese.